

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: May 16, 2008
Time of Meeting: 8:30 a.m.
Place of Meeting: Public Utilities Boardroom
3901 Orange Street (at Ninth & Orange Streets)
Riverside, California

PLEDGE OF ALLEGIANCE TO THE FLAG WAS GIVEN

Roll Call

Present:	Dave Barnhart (Chair)	Bob Stockton (Vice Chair)
	Mary Curtin	Ken Sutter
	Bernie Titus	Robert Elliott
	Ian Davidson	Manny Sanchez
	Joe Tavaglione	

Absent: None

Assistant City Manager Michael Beck was in attendance.

TRUJILLO WATER COMPANY DIRECTORS ORGANIZATIONAL MEETING

Mr. Dave Barnhart, vice-president of the Trujillo Water Company, called the special meeting of the Trujillo Water Company Directors Organizational meeting to order at 8:30 a.m. The meeting adjourned at 8:31 a.m. to the regular meeting of the Riverside Public Utilities Board.

PRESENTATION

- A. THE BOARD OF PUBLIC UTILITIES RECOGNIZED THE FOLLOWING PUBLIC UTILITIES EMPLOYEES FOR THEIR ACCOMPLISHMENTS OF COMPLETING THE REQUIREMENTS WITHIN THE CITY OF RIVERSIDE'S M3P HIGH PERFORMANCE LEARNING CENTER:
1. Daniel Honeyfield and Efrain Orozco – completed the SHIELD Program
 2. Pauline Brown, Vanessa Scott, and Kathie Buckley – completed the SOAR Program
 3. Samuel Davis and Wes Wisniewski – completed the SOAR Technology Program
 4. David Bride, Lyle Hill, Jorge Somoano, Michael Torelli, and Steve Lafond – completed the SMART Level I Program
 5. Ernest Marquez and Elizabeth Sanchez – completed the PACE Level I Program

MINUTES

1. The minutes from the regular Board of Public Utilities meeting on May 2, 2008 were approved as submitted.

Motion – Tavaglione. Second – Sutter.

Ayes: Barnhart, Curtin, Stockton, Sutter, Elliott, Titus, Davidson, Sanchez, and Tavaglione.

Noes: None

Abstain: None.

Absent: None.

CITIZENS PARTICIPATION

None.

COMMITTEE REPORTS

2. FINANCE/MARKETING COMMITTEE MEETING

The Board of Public Utilities accepted and filed the April 25, 2008 Finance/Marketing Committee Minutes.

3. PROPERTY COMMITTEE MEETING

The Board of Public Utilities accepted and filed the May 2, 2008 Property Committee Minutes.

4. ELECTRIC COMMITTEE MEETING

Electric Committee minutes of May 14, 2008 were **deferred** to the next Board meeting.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar with the exception of Item 6, **2007 ANNUAL REPORT – ELECTRIC SYSTEM INSPECTION AND CORRECTIVE ACTION**, and Item 8, **ACQUISITION EXPENDITURE IN CONNECTION WITH THE SAN BERNARDINO TRANSMISSION MAIN REPLACEMENT PROJECT**, which were moved to the Discussion Calendar:

Motion – Sutter. Second – Curtin.

Ayes: Barnhart, Stockton, Curtin, Sutter, Elliott, Titus, Davidson, Sanchez, and Tavaglione.

Noes: None

Abstain: None.

Absent: None.

ELECTRIC ITEMS

5. LA SIERRA AVENUE AND HWY 91 BRIDGE UPGRADE
WORK ORDER NO. 060127-01

The Board of Public Utilities approved the estimated capital expenditure of \$300,000 to re-arrange and upgrade three-phase primary electric line conductors and conduits along La Sierra and Diana Avenues at the new bridge over Hwy 91.

6. **MOVED TO DISCUSSION**

WATER ITEMS

OTHER ITEMS

7. SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT ADVISORY COMMISSION
ON WATER POLICY

The Board of Public Utilities appointed Riverside Public Utilities Board Members Bernie Titus as the primary representative and Manny Sanchez as the alternate representative on the San Bernardino Valley Municipal Water District Advisory Commission on Water Policy.

8. **MOVED TO DISCUSSION**

DISCUSSION CALENDAR

6. 2007 ANNUAL REPORT – ELECTRIC SYSTEM INSPECTION AND CORRECTIVE
ACTION

Board Member Sutter requested this item be placed on discussion calendar so staff could give more detail on the electric system inspection and corrective action.

Following discussion, the Board of Public Utilities received and filed the 2007 Annual Report of Electrical Facilities Inspection.

Motion – Sutter. Second – Curtin.

Ayes: Barnhart, Stockton, Curtin, Sutter, Elliott, Titus, Davidson, Sanchez, and Tavaglione.

Noes: None.

Abstain: None.

Absent: None.

8. ACQUISITION EXPENDITURE IN CONNECTION WITH THE SAN BERNARDINO TRANSMISSION MAIN REPLACEMENT PROJECT

Board Member Sanchez requested this item be placed on the discussion calendar because he wanted more clarification of the new easement, the status of the old easement, and value of the land.

Following discussion, the Board of Public Utilities approved the expenditure of up to \$82,000 to cover the costs of the easements and related escrow and title fees associated with the acquisitions.

Motion – Curtin. Second – Elliott.

Ayes: Barnhart, Stockton, Curtin, Sutter, Elliott, Titus, Davidson, Sanchez, and Tavaglione.

Noes: None.

Abstain: None.

Absent: None.

9. CLEARWATER POWER PLANT ACQUISITION - UPDATE

Assistant General Manager/Resources Gary Nolff gave an oral update on the proposed Clearwater Power Plant acquisition.

Following discussion, the Board of Public Utilities received and filed this update.

10. GREEN RIVERSIDE EFFORTS - UPDATE ON RIVERSIDE PUBLIC UTILITIES' CONTRIBUTIONS TO THE CITY OF RIVERSIDE'S "GREEN RIVERSIDE" PROGRAM

An oral update of the Green Riverside efforts by the Riverside Public Utilities to the City of Riverside's "Green Riverside" program was presented by Mike Bacich, Customer Relations/Marketing Manager.

Following discussion, the Board of Public Utilities received and filed this update.

11a. PROPOSED PURCHASE BY PUBLIC UTILITIES DEPARTMENT OF "GATEWAY BUILDING" LOCATED AT NORTHWESTERLY CORNER OF FOURTEENTH AND LIME STREETS (ASSESSOR PARCEL NUMBER 215-331-018) – ADDITIONAL APPROPRIATION

Board Member Davidson was opposed to this proposed purchase because he felt philosophically that Public Utilities should not be buying office buildings but should be buying power plants.

Following discussion, the Board of Public Utilities recommended that the City Council:

1. Approve the proposed Purchase and Sale Agreement executed by William R. Friis, trustee of the William R. Friis Family Trust, in the amount of \$3,000,000, plus an estimated \$300,000 in escrow, trustee, and related acquisition costs;

2. Approve a supplemental appropriation of \$3,630,000 from the Public Utilities Electric Fund Balance for the acquisition and equipping of the subject property; and
3. Authorize the City Manager, or his designee, to execute the documents necessary to complete the proposed purchase.

Motion – Tavaglione. Second – Curtin.

Ayes: Barnhart, Stockton, Curtin, Sutter, Elliott, Titus, Sanchez, and Tavaglione.

Noes: None

Abstain: None.

Opposed: Davidson.

Absent: None.

11b. AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES – CALIFORNIA STRATEGIES, LLC (LEGISLATIVE COORDINATION SERVICES)

Following discussion, the Board of Public Utilities:

1. Approved the attached Agreement for Professional Consultant Services with California Strategies, LLC., in an amount not-to-exceed \$180,000; and
2. Directed staff to monitor, evaluate and report to the Board of Public Utilities and the City Council on the effectiveness of legislative coordination services provided by the firm over the term of the contract.

Motion – Tavaglione. Second – Sutter.

Ayes: Barnhart, Stockton, Curtin, Sutter, Elliott, Titus, Davidson, Sanchez, and Tavaglione.

Noes: None

Abstain: None.

Absent: None.

11c. ITEMS FOR FUTURE BOARD OF PUBLIC UTILITIES CONSIDERATION AS REQUESTED BY A MEMBER OF THE BOARD OF PUBLIC UTILITIES

None.

GENERAL MANAGER'S REPORT

Introductions were made regarding new employees, Gary McLaury, Rudy Villavicencio, and David Oto in the Electric Planning and Substation Division by Deputy General Manager Steve Badgett.

General Manager Wright reported that the Water Utility Bond was upgraded to a AA+ and gave an update on the AB 32 issue, which he distributed handouts to the Board members.

12. State and Federal Legislative Update
13. Electric / Water Contract Panel Update
14. Monthly Benchmark Report Cards - April 2008
15. Open and Closed Work Orders - April 2008
16. Water Highlights - April 2008
17. City Council Agendas - May 6, 2008 and May 13, 2008
18. Upcoming Meetings
19. Systematic Reporting on Conferences/Seminars
20. Electric / Water Utility Acronyms

UPCOMING MEETING

Chairman Dave Barnhart adjourned the meeting at 9:58 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, June 6, 2008**, at **8:30** a.m. in the Public Utilities Boardroom located at 3901 Orange Street in Riverside, California.

By:


David H. Wright, Secretary
Board of Public Utilities

Approved by: City of Riverside Board of Public Utilities

Dated: June 6, 2008